

ABSTRACT:

A method for facilitating the distribution of physical restricted securities to a set of participants comprises receiving from an originating entity, such as a venture capitalist, a distribution package. A transfer agent is given temporary custody of the restricted securities and delivery instructions are provided to the transfer agent. Because the transfer agent has custody of the securities while they are still in the name of the originating entity, it can perform distributions of the restricted securities in accordance with incrementally delivered instructions and does not need to terminate the entire distribution if the instructions for a particular participant are incomplete or inconsistent. A system for gathering distribution instructions from participants and delivering the instructions to a facilitator is also disclosed.